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LAGOS STATE FACTS & FIGURES NO 15



INDUSTRIES

INDUSTRIES IN LAGOS STATE.

Lagos State is generally acknowledged as the most industrialised state in the Federal Republic of Nigeria.

This assertion is supported by statistics. A survey conducted in 1974 by the Federal Office of Statistics gave the following figures:

- (i) 31% of all industrial establishments in Nigeria were located in Lagos State.
- (ii) 49% of Nigeria's industrial employees were in Lagos State.
- (iii) 79% of industrial wages and salaries were identified as being paid in Lagos State.
- (iv) 69% of Nigeria's gross industrial output came from Lagos State.
- (v) 65% of the natural output of the total value added to industrial products were attributed to Lagos State.

Altogether, the number of industries identified in metropolitan Lagos was 324. by December 1982, about 872 industrial establishments were located in Lagos State.

NATURAL PHENOMENA.

This unique position of Lagos State was not the creation of any particular Government. It was a natural development arising purely from the universal parameters

for industrial growth which are present in Lagos State. For out of the total paid up capital of ₦129,740,000 in industries situated in Lagos State as at 1972, 75% were invested by private non-Nigerians, 10% by private Nigerians, 3% by the Federal Government, 6% by the State Government and 6% by others.

The following natural factors aid this astronomical development of industries in the State:

- (a) The fact that Lagos has Nigeria's major port, thus, offering minimum cost of transportation of goods from the port to the site of factory.
- (b) The availability in Lagos State of transportation facilities for distribution to other States in the Federation by rail, road, or air.
- (c) Availability of skilled manpower in the largest concentration in the country.
- (d) The big and ready market for consumption of the products of the industries.

In spite of this industrial advancement, Lagos State is the smallest in the Federation with 358,861 hectares of land out of which 75,755 hectares consist of Lagoons and waterways. The population is estimated in 1979 to be 4,680,000. Thus, its population growth is 300,000 per year or 833 per day.

STATE GOVERNMENT'S DIRECT INVOLVEMENT IN INDUSTRY.

The State Government has been involved in projects

relating to food and drinks; building construction and environment materials; Agro Allied Products; Printing and Publishing. The objectives of this policy are :

- (a) To ensure maximum utilisation of locally available raw materials and manpower resources to economic advantage.
- (b) To encourage development of projects with high local value added.
- (c) To ensure disposal of industries with a view to providing employment opportunities for the generality of the people in the rural areas.
- (d) To reduce urban migration.

pursuance of its Low Income Housing Programme, the State Government would establish a new Red Brick Project at Badagry to produce 20,000,000 bricks per annum to supplement the existing one at Igbogbo.

COCONUT INDUSTRY LIMITED.

The project was established by Jakande administration to produce coconut oil, copra, fibre- etc. from Coconuts which are abundantly produced in Badagry. The venture is 100% owned by Government and an investment of about ₦4 million by way of procuring machinery and the company was commissioned in April, 1983 and ropes and footmats are already being produced. The Oil Mill Section which is to produce edible oil from coconut meat, is scheduled for



LACON (NIGERIA) LTD.

This is a red brick manufacturing industry located at Igbogbo. Agreement for LACON (Nig) Ltd. was signed on June 10, 1977 by the former administration of Lagos with Encon Keramik Industries of West Germany. It is capable of producing 20 million bricks yearly. In an attempt to provide use for local raw materials and in

commissioning by June 1983.

LAGSBREW (NIGERIA) LIMITED

The Beer Brewery Project under construction at Agbowo is expected to be commissioned by the end of 1983. It is designed to produce 400,000 hecto-litres of beer per annum. The equity share capital of the project is ₦6,400,000. The

equity is distributed as follows :

Lagos State Government	69%
Technical Partners (Kosmos)	20%
N.I.D.B.	11%

The total cost of the project is ₦15,000,000.

STEEL MILL PROJECT

The Joint Venture Agreement was signed with Messrs PEC of U.S.A. in July 1980. The Steel Mill Project is to be sited at Shala Village in the Epe Division of the State. The project will use scraps of motor vehicles, washing machines, refrigerators, air conditioners etc. for the production of iron rods of various sizes for the building industries. The capacity of the plant is 100,000 tons of liquid steel. *The total cost of the project is ₦26.6 million.* The advantages of a Steel Mill of this nature are both economic as well as sanitary.

LAGOTEX (NIGERIA) LTD.

The Project, established at Ikorodu, is being considered for reactivation. The Industry is to produce chipboard.

EPE BOAT YARD

In consistence with industrialisation and full employment policy of the Government, the decision has been taken to reactivate the Epe Boat Yard with a view to manufacturing trawlers and ferries so that water transportation and fishing industry can be given a boost.

GLASS AND BOTTLE PROJECT

Efforts are being geared up

towards the selection of a technical partner for the manufacture of glass and bottles which is to be established in Badagry. The estimated total cost of the project is ₦70 million.

PHARMACEUTICAL INDUSTRY

In pursuance of the State Government Programme of Free Health Services, the Ministry is negotiating with prospective technical partners for the establishment of the industry.

ASBESTOS SHEET INDUSTRY

A feasibility study has been commissioned on the Asbestos Sheet Projects. The objective of the project is to reduce the increasing cost of building materials.

THE JAKANDE ADMINISTRATION

As an indigene of Lagos State and its Governor since 1979, Alhaji Lateef Jakande energetically pursued a programme of promoting the industrial growth of the state.

LAND POLICY

Under a Master Plan for Land Use in the State, a total of 2.88% of the total 283,196 land area has been allocated to industries.

ALLOCATION OF LAND

Before the advent of civilian administration, one of the major constraints to industrial development in Lagos State was the unavailability of land. Therefore, many industrialists who wanted land for the expansion of their businesses or the starting of new

projects had to go through second and third parties. For example, in the Iponri Commercial Centre, middlemen used their personal connections to obtain plots at ₦40,000 only to pass them onto genuine businessmen at ₦100,000 or ₦150,000. The result was that genuine industrialists and traders were priced out of business.

By October 1, 1979, when this administration assumed office, there were 1,200 applications pending for the allocation of industrial plots. All the applicants were considered and all qualified *applicants* have been allocated plots in one or the other of the government's industrial schemes. Jakande administration has discouraged speculators who would obtain industrial plot cheaply from the Government and sell or transfer to industrialists at an exorbitant price.

The following industrial/Commercial plots were allocated since 1980.

1980 — 666 Plots.
1981 — 1,821 Plots.
1982 — 1,572 Plots.

Also in order to industrialise the rural areas of Lagos State and stem the rural urban migration of job seekers, selected industrial areas in Badagry, Epe and Ikorodu are now being laid out for proper industrial take off with a view to achieving government policy on industrial dispersal within the state. To this end, industrialists are being advised to establish in the rural areas where infrastructural facilities are now being provided for industrial development.

On the whole, the following industrial/Commercial estates now exist or under development in Lagos State :

INDUSTRIAL/COMMERCIAL SCHEMES

(a) OLD SCHEMES

Yaba Commercial
Ijora
Apapa
Iganmu
Ilupeju
Oshodi/Isolo/Ilasamaja
Amuwo—Odofin
Matori
Ogba
Oregun
Agidingbi
Ikorodu
Surulere Light Industrial
Gbagada Industrial

(b) NEW SCHEMES

Badiya Commercial
Oworonsoki Industrial Estate.
Oyadiran/Yaba Industrial Estates.
Amuwo—Odofin Commercial.
Ilasamaja Extension Industrial.
Ikeja Central Business District.
Lagos South— West Industrial.
Kirikiri (Proposed)
Abesan/Ipaja.
Akowonjo Light Industrial.
Odosile/Odoragunsen Industrial.
Ginti Industrial
Agbowo Industrial.
Oke—Afo/Ilogbo Industrial.
Ewu — Elepe Industrial.



TRADE FAIR

The staging of trade fair has become an annual event since the inception of this administration. The Lagos State Government intends to use trade fair to promote commerce and industry in the State. The Government has decided to construct a permanent trade fair site which will have all modern facilities for the staging of local, State, National and International fairs specialised or general.

SMALL – SCALE INDUSTRIES

The Jakande administration has been boasting the establishment of small-scale industries since it assumed office. The scheme has its origin in 1972 when the then government in office enacted the small scale Industries Credit Scheme Fund Law to assist small scale industries. The scheme started to function properly in 1976. Between 1976 and 1979 a sum of ₦627,350 was loaned to 15

recipients. However, between October 1979 and December, 1982, a sum of ₦1.24m had been loaned to 16 recipients by the present administration. A sum of ₦500,000 is slated for allocation in the 1983 financial budget.

Also the state Ministry of Trade and Industry gives guidance on the feasibility of a number of possible small-scale enterprises. These are :

- (a) Plastics.
- (b) Office pins and clips
- (c) Furniture
- (d) Bakery
- (e) Cosmetics
- (f) Laundry soap
- (g) Animal feed
- (h) Printing Ink
- (i) Roofing Nails
- (j) Foot Wear and Leather Goods
- (k) Sanitary Fittings (Water taps, Valves)
- (l) Cutlery
- (m) Sanitary Pads
- (n) Surgical Bandage
- (o) Pharmaceutical
- (p) Cereals e.g. Corn Flakes and other agro-based products.

At present, two industrial estates at Yaba and Matori are established principally for small-scale industries.

DISPERSAL OF INDUSTRIES FROM LAGOS STATE

Before the coming of Civilian administration in 1979, it was the policy of the military administration to discourage the establishment of new industries in Lagos State. Their argument was that majority of industrial establishments in the country are located in Lagos, thereby depriving other states of their fair share of industrial growth. The situation has changed

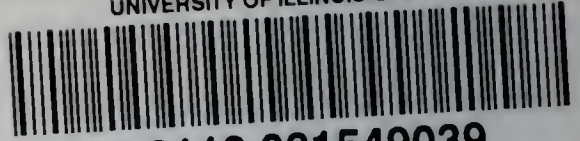
since the advent of Jakande administration. This is because the Nigerian Constitution vests the power to make laws on industrial, commercial or agricultural development in the State Houses of Assembly. The Jakande Administration has taken advantage of this constitutional provision by encouraging industrialists to establish their businesses in Lagos State.

Lagos State has all that any industrialists require for a successful venture. The market is here. The port is near. Labour is also available. On top of all these, there is also liberalised allocation of commercial and industrial plots.

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UNIVERSITY OF ILLINOIS-URBANA



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Designed by the Publicity Department, Governor's Office, Lagos State
and Printed by the Lagos State Printing Corporation Obafemi
Awolowo Way, Ikeja, LSPC OW/088/883/20,000